

# **USDA Foreign Agricultural Service**

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# Taiwan Grain and Feed Results of the First Public Rice Tender 2004

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### Report Highlights:

On April 9<sup>th</sup>, Taiwan partially awarded its 1<sup>st</sup> public rice tender of 2004. The tender for 8,850 tons of medium brown rice went to a U.S. supplier at NT\$14,196/mt or \$431/mt while the 500 ton tender for long grain milled glutinous rice went to a Thai supplier. No bidders participated in the 500-ton short grain milled glutinous rice tender that was rescheduled for April 20-21. Taiwan also announced an additional 1,000-ton long grain milled glutinous rice tender, to be held at the same time in April.

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Taipei [TW1] [TW]

# First Public Rice Tender Mostly Completed

On April 9<sup>th</sup>, Taiwan partially awarded its first public rice tender of 2004. The tender for 8,850 tons of medium brown rice went to a U.S. supplier at NT\$14,196/mt or \$431/mt while the 500 ton long milled glutinous rice award went to a Thai supplier at NT\$14,375.6/mt or \$437/mt. No bidders participated in the 500-ton short milled glutinous rice tender. Despite the lack of bids, the short milled glutinous rice was immediately rescheduled for April 20 for the technical bids and April 21 for price bids. Taiwan's Council of Agriculture (COA) also announced an additional 1,000-ton long milled glutinous rice tender, which is also scheduled for April 21 and 22.

According to COA, Taiwan's annual demand for glutinous rice is approximately 60,000 tons on a brown basis, which is normally supplied domestically. In 2004, glutinous rice prices increased sharply because of the timing of the Chinese New Year and the Dragon Boat Festival, which both come before the Taiwan spring rice harvest. This generally only happens every four years. The last time it happened was in the year 2000, when Taiwan allowed special imports of 1,500 tons of glutinous rice. COA's continuing attempts to purchase glutinous rice despite the failure of the first tender have raised questions about Taiwan's 2004 rice purchase intentions.

(The current exchange rate is US\$1 = NT\$32.91 on April 9.)